

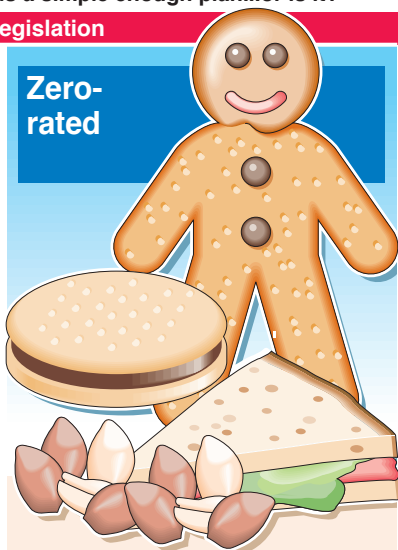
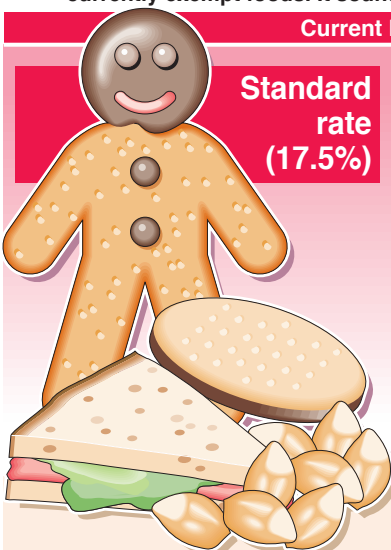
VAT on food – in a nutshell

It could be said, with some degree of accuracy, that laws surrounding VAT on foodstuffs really do take the biscuit. Distasteful as it may be to the consumer, however, the Chancellor could opt to raise revenue by imposing VAT on currently exempt foods. It sounds a simple enough plan...or is it?

Current legislation

**Standard
rate
(17.5%)**

**Zero-
rated**



Biscuits: Gingerbread man with head dipped in chocolate, chocolate biscuits

Gingerbread man with head dipped in caramel. Biscuits – plain, sugar-coated or with chocolate sandwich filling

Nuts: Salted or roasted shelled nuts

Nuts in shell or unsalted, unroasted shelled nuts

Snacks: Potato crisps, sticks and other products made from potato derivatives. Foods made by swelling of cereal products, e.g. popcorn, Wotsits, Hula-Hoops, Skips, Quavers

Products not made from potato or swelling of cereal products, e.g. tortilla chips, corn chips, Twiglets, savoury biscuit products, mini-biscuits. Pork scratchings, dried fruit snacks

Milk products: Ice cream, ice lollies, frozen yoghurt suitable for immediate consumption, e.g. soft enough to be eaten with a spoon

Yoghurt, mousse and similar products which are not ice cream but are made and marketed for exactly the same purpose

Confectionery: Including cereal bars, compressed fruit bars, banana chips, crystallised fruit

Toffee apples, ethnic delicacies, meringues

Cereal: Puffed cereal products marketed as snack

Puffed cereal products marketed as breakfast cereal

Sandwiches: Sold from kiosk in amusement park

Sold from kiosk in public park